

# SENATE BILL REPORT

## SHB 1315

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As Reported by Senate Committee On:  
Health & Long-Term Care, March 17, 2011

**Title:** An act relating to employment of physicians by nursing homes.

**Brief Description:** Concerning the employment of physicians by nursing homes.

**Sponsors:** House Committee on Health Care & Wellness (originally sponsored by Representatives Kelley, Schmick, Cody, Hinkle, Van De Wege, Miloscia, Jinkins, Seaquist, Angel and Harris).

**Brief History:** Passed House: 2/26/11, 97-0.

**Committee Activity:** Health & Long-Term Care: 3/10/11, 3/17/11 [DPA].

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Majority Report:** Do pass as amended.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Becker, Ranking Minority Member; Kline, Murray, Parlette and Pridemore.

**Staff:** Rhoda Donkin (786-7465)

**Background:** Nursing homes are licensed facilities that provide convalescent care and/or chronic care for persons who are unable to care for themselves. Each resident of a nursing home must have a comprehensive plan of care prepared by an interdisciplinary team that includes the attending physician. The nursing home must inform a resident of the name and specialty of the physician responsible for the resident's care and provide a way for the resident to contact his or her physician. According to federal interpretive guidelines for the Medicare and Medicaid programs, residents should be allowed to designate a personal physician, and the nursing home is responsible for assisting the resident to obtain these services.

A nursing home must ensure that a resident is seen by a physician whenever necessary and that the medical care provided by the nursing home is supervised by a physician, except for nursing homes that have not contracted to provide care under the Medicare or Medicaid programs. This includes supervising the medical care when the attending physician is not available and providing physician services 24 hours a day in case of emergency. Under some circumstances, physician tasks may be delegated to a physician assistant or advanced

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registered nurse practitioner who is not an employee of the nursing home. A nursing home must designate a medical director who is responsible for implementing resident care policies and coordinating medical care in the facility.

By statute, persons licensed or authorized to render the same professional services are allowed to form a professional corporation. Statute prohibits the professional service organization to engage in any businesses other than those for which it was incorporated. There is concern that nursing homes, incorporated under state law, are not legally authorized to hire their own physicians.

**Summary of Bill (Recommended Amendments):** A nursing home may employ physicians to provide professional services to residents of the nursing home or a related living facility, such as a boarding home on the same campus. The authority applies both to the entity licensed to operate a nursing home and a subsidiary of the licensee, as long as the licensee adheres to its responsibility for the daily operations of the nursing home.

The nursing home may not supplant, diminish, or regulate any employed physician's judgment directly or indirectly, concerning the practice of medicine or diagnosis and treatment of any patient. The authority for a nursing home to employ a physician may not interfere with federal rules, state statutes, or Department of Social and Health Services rules addressing resident's rights.

The Department of Social and Health Services must monitor nursing homes who hire physicians on staff and report to the Legislature by January 1, 2013, on consumer satisfaction and cost implications.

**EFFECT OF CHANGES MADE BY HEALTH & LONG-TERM CARE COMMITTEE (Recommended Amendments):** The Department of Social and Health Services must monitor nursing homes who hire physicians on staff and report to the Legislature by January 1, 2013, on consumer satisfaction and cost implications.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Substitute House Bill:** PRO: This will provide the needed confidence for nursing homes who want to fire doctors now, but don't feel the state statutes are clear enough. Doctors on staff in nursing homes will mean that medical attention in the beginning of the patient's stay will reduce the chances of returning to the hospital. This will help attract more geriatric specialists to the state.

**Persons Testifying:** PRO: Scott Sigmon, Dr. Kenneth Scott, Life Care Centers; Louise Ryan, Long-Term Care ombudsman.